



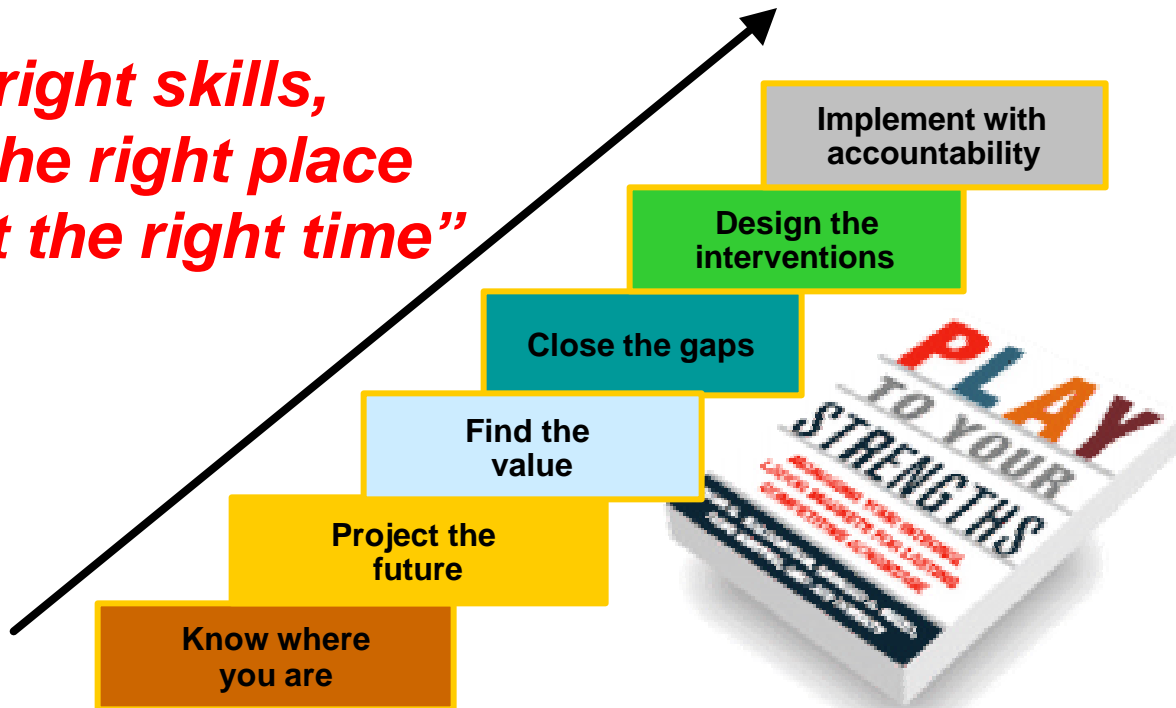
Human Capital Strategy

... “Human Capital” defined

...what is “Human Capital Strategy?”

...why Human Capital Strategy is important?

***“The right skills,
in the right place
at the right time”***



Change the Work Then Shape the Workforce



Human Capital Defined

- Two perspectives:
 - Organization: The accumulated stock of knowledge, skills, creativity and experience that resides in an organization's workforce and drives productive labor
 - Individual: A person's knowledge, skills, abilities, and experience.
- In either case Human Capital is an *asset* which can be leveraged to provide a competitive advantage.

Drivers of Strategic Planning of Human Capital

Department of Defense Civilian Human Resources Strategic Plan 2002 - 2008



Office of the Under Secretary of Defense
(Personnel and Readiness)

Office of the Assistant Secretary of Defense
(Force Management Policy)



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET

THE PRESIDENT'S MANAGEMENT AGENDA

FISCAL YEAR 2002



Department of the Navy Human Capital Strategy



June 2004

*"The Ability to Transform Is at the Heart of America's Competitive Advantage."
Secretary of the Navy Gordon R. England*





CNO Guidance 2005

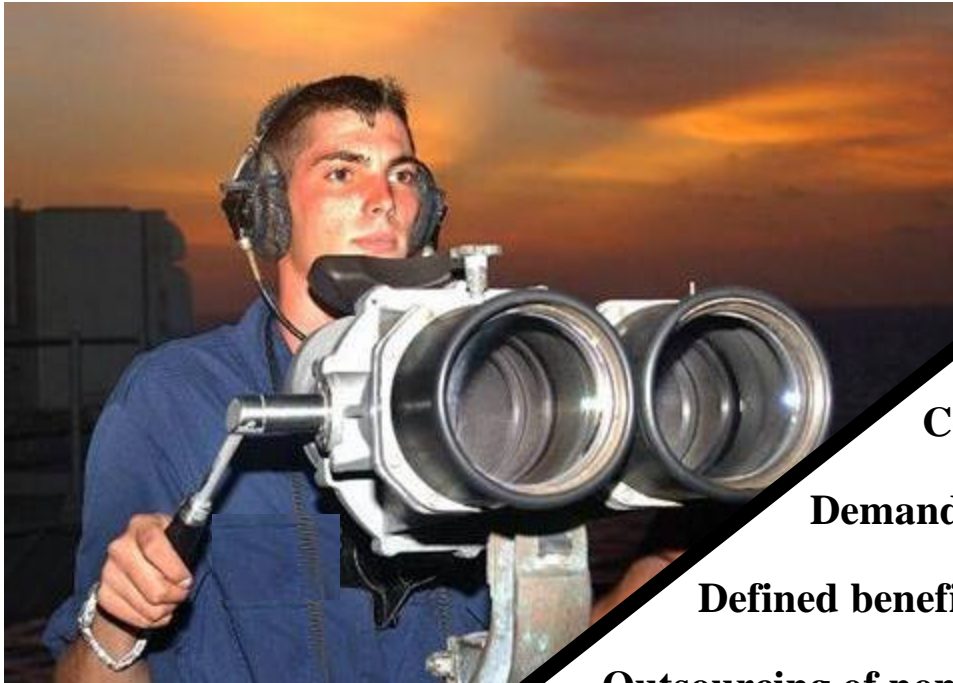
- The future demands two attributes above all: speed and agility.

“We can only succeed in [increasing the speed and agility of our great institution] if we can get the people with the right skills to the right place at the right time, and provide them with the professional and personal tools they need to be successful. A comprehensive **Human Capital Strategy** will do that, and it is therefore a crucial deliverable for our Navy.”



Future HCS Environment?

Trends & Pre-determined Elements



More diverse labor market

Pressures on military budget

Lower life cycle maintenance costs

Increase in unprogrammed Joint tasks

Competition for high-quality talent

Demand for & cost of health care will rise

Defined benefit plans replaced by cafeteria plans

Outsourcing of non-military essential support task

National Security Personnel System (NSPS)

Performance based logistics leads to more outsourcing

Globalization (inter-dependence on foreign commodities, intellectual capital)

Percentage of graduating students in technical programs who are foreign nationals will increase

Change the Work . . . Then Shape the Workforce



What is Human Capital Strategy?

- The organization's set of human resources management tactics, policies and practices
- The sum of all actions used to manage people throughout an organization
- The process business unit leaders use to align human capital deliverables with the leaders' organizational strategic intent



Six Essential Factors

- People
- Work Processes
- Managerial Structure
- Information & Knowledge
- Decision Making
- Rewards



Change the Work Then Shape the Workforce



Key HCS Features

- Total Force
 - Military (active & reserve, officer & enlisted)
 - Civilian
 - Contractor
- Increased Diversity



Menu of HCS Features

- Military Essential
- Sea-centric
- Competitive Sourcing
- Diversity
- Ethics/Integrity
- Pay & Benefits
- Job Satisfaction
- Rewards & Incentives
- Technical Competency
- Education & Training
- Education Continuum
- Revolution in Training
- Business Skills
- Team Skills
- Leadership Development
- Professional Credentials (i.e. PM cert.)
- Professional Affiliations (i.e. ICMA)
- Rewarding Service
- Knowledge Management
- Learning Organization
- Leveraging Technology
- Viable Career Opportunities
- Alternative Career Paths
- Mentorship
- Accession Quality
- Intern Program
- Succession Planning
- Matrix Organizations

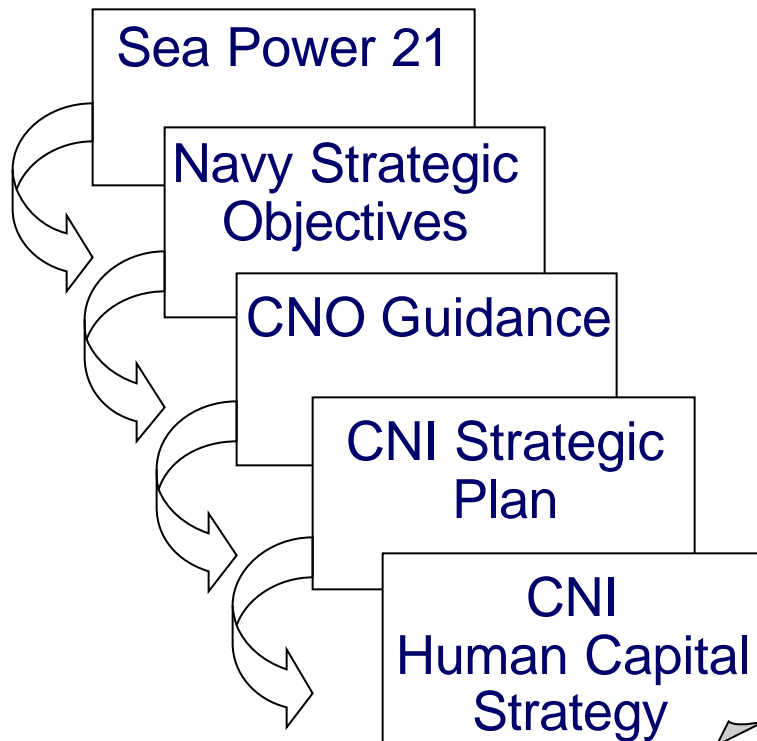
Change the Work Then Shape the Workforce



Setting the Stage

Mission Statement: To enable and enhance Navy combat power by providing the most effective, efficient and cost-wise shore services and support.

Navy/CNI Guidance



Our scope:

The “end-to-end” readiness support process for improving and sustaining shore establishment products/services.

Our metric:

Products/Services (output) at the right place, at the right time, at the right levels and at the right cost to achieve Fleet readiness.

Change the Work Then Shape the Workforce



CNI Strategic Business Plan/Direction

- CNI Strategic Plan contains guidance for developing a Human Capital Strategy
 - Recruit/hire, develop and sustain the human capital - the right skills in the right place at the right time - to accomplish the mission, now and in the future.
 - Alignment
 - Competencies
 - Leadership
 - Performance Culture



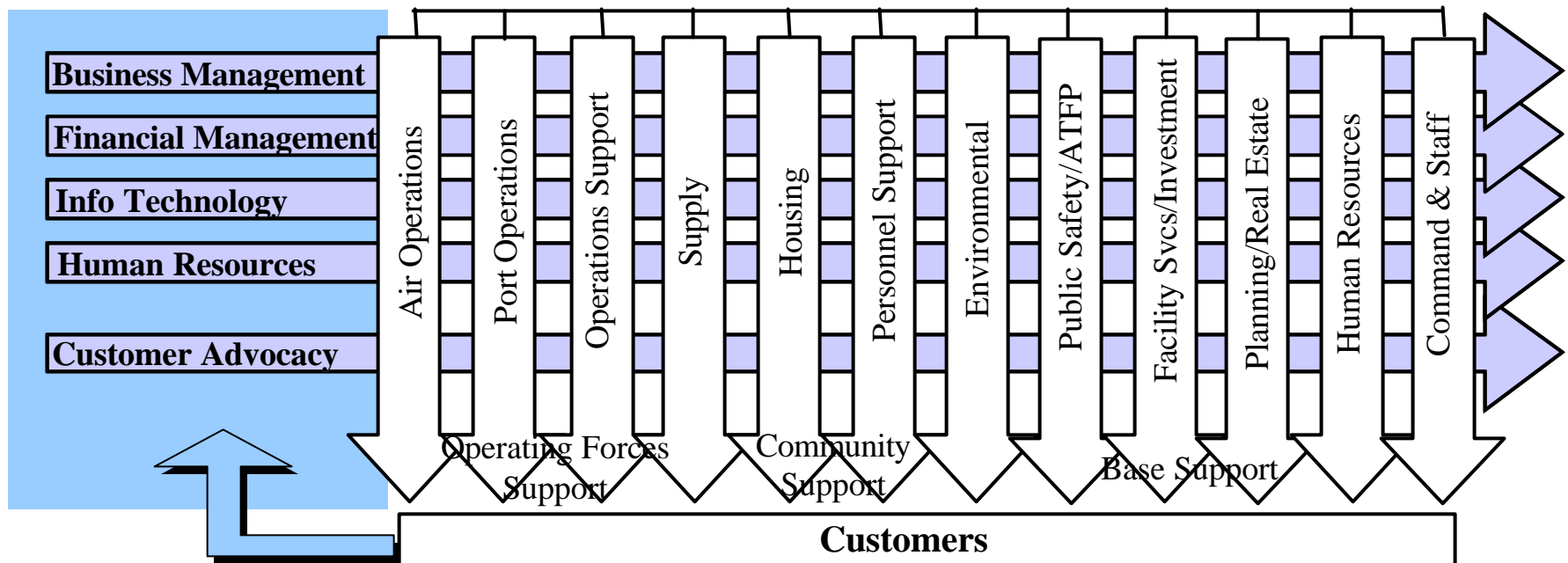
CNI Approach to Developing HCS

- Shore Installation Management is made up of broad and diverse products and services
 - Operating Forces Support
 - Community Support
 - Base Operating Support



CNI Program-centric Approach

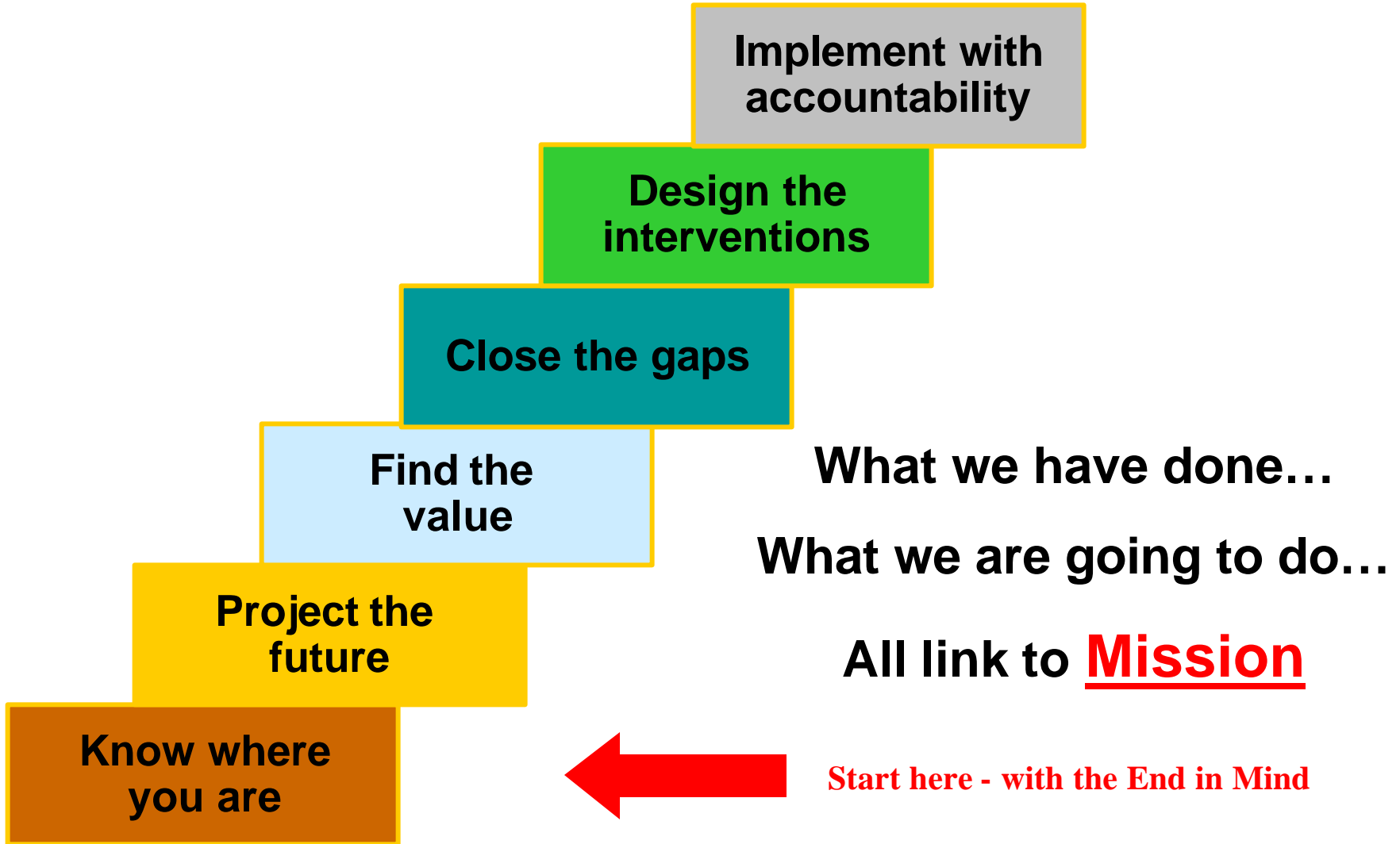
The work portion of the CNI Human Capital Strategy is embedded in our Program-centric delivery system



Change the Work Then Shape the Workforce



Where to Start



Change the Work Then Shape the Workforce



HCS Efforts Underway

- Done by Others
 - Facilities Engineering -> NAVFAC
 - Supply & Galley -> NAVSUP
 - PAO -> CHINFO
 - JAG -> JAG Corps
 - Religious Ministries -> Chaplain Corps
- CNI Program Efforts Underway
 - Environmental
 - Child Development
 - Fire Fighters
 - Fleet & Family Support Centers
 - Financial Management
 - Force Protection




Step 1

Know Where You Are



CNI SIM Workforce

as of 31 Oct 05

- 74,672 employees  Number includes NAF employees
 - Military, Active (incl FTS)
 - 1,864 Officer, 27,935 Enlisted
 - Military, Selected Reserve
 - 425 Officer, 5,136 Enlisted
 - Civilian (FT, PT, Flexible)
 - 19,909 U.S.
 - 2,190 Foreign National, Direct
 - 3,187 Foreign National, Indirect
 - 14,026 Non-Appropriated Fund

47%
Military



Step 1 - Know where you are

Change the Work Then Shape the Workforce

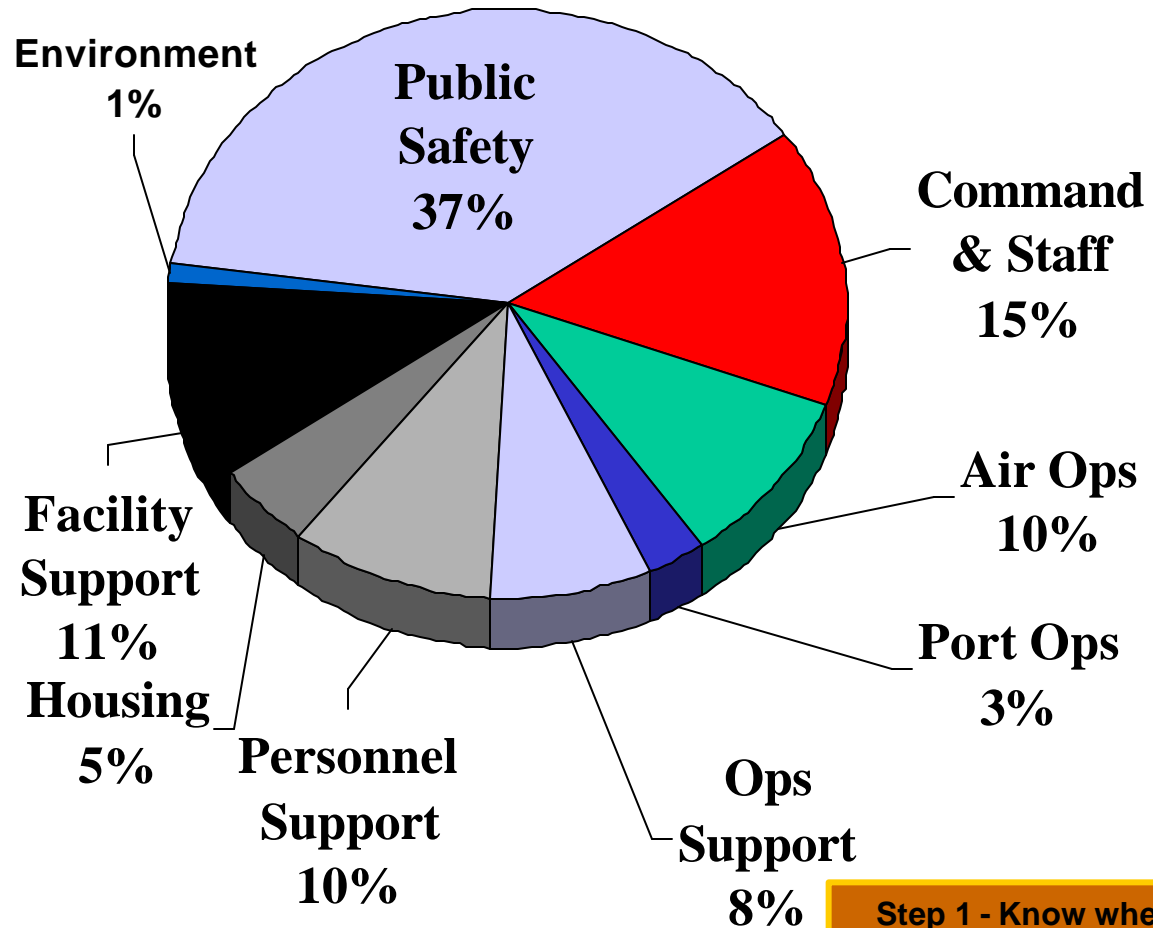


FY05 Endstrength/FTE Distribution

as of 31 Oct 05

Total: 74,672

PERSONNEL	FY05
MIL (Active)	29,799
MIL (Reserves)	5,561
CIVPERS	39,312
TOTAL	74,672



Step 1 - Know where you are

Change the Work . . . Then Shape the Workforce



Human Capital Strategy Pillars

Total Force Human Capital Strategy

D I V

Alignment to Total Force

E

Competency Focused

R

Professional/Personal Growth

S

Performance Culture

I

Agile Organizations

T Y

L E A

D

E

R

S

H I P

Change the work Then Shape the workforce